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CITIZENS UTILITIES COMPANY OF ILLINOIS)
d/b/a CITIZENS WATER RESOURCES)

CHIEF CLERK'S OFFICE

Petition for a Certificate of Public Convenience)
and Necessity to provide water and sanitary)
sewer service to parcels in McHenry County,)
pursuant to Section 8-406 of the Public Utilities)
Act; and for approval of a contract.)

Docket No. 00-0194

MOTION FOR TEMPORARY CERTIFICATE

Citizens Utilities Company of Illinois d/b/a Citizens Water Resources ("Citizens"), pursuant to Section 8-406 of the Public Utilities Act ("PUA"), 220 ILCS 5/8-406(e), respectfully requests that the Illinois Commerce Commission ("Commission") grant a Temporary Certificate of Public Convenience and Necessity, without notice or hearing, pending the determination of an application for a certificate, authorizing Citizens to provide water and sanitary sewer services to various parcels located in McHenry County, Illinois. In further support of this motion, Citizens states as follows:

1. Citizens is a public utility that currently provides water and/or sanitary sewer services to over 72,000 customers in six counties within northeastern Illinois. Citizens is a wholly-owned subsidiary of Citizens Communications Company, formerly known as Citizens Utilities Company, which directly or through operating subsidiaries provides water, wastewater, electric, gas and/or communications services in 22 states throughout the United States.

2. Citizens filed a verified petition for a Certificate of Public Convenience and Necessity in Docket No. 00-0194 seeking authority to provide water and sanitary sewer services

to various parcels which are the subject of this motion. In support of its Petition, Citizens stated as follows:

- a. Citizens has entered into an Asset Purchase Agreement ("Agreement") with the property owner, Terra Cotta, to acquire existing water and sewer facilities to serve the parcels for which certification is requested. Citizens desires to provide (subject to the terms and conditions set forth in the Agreement) water and sanitary sewer service in these areas. Exhibit A is a copy of the Agreement.
- b. No other water or sanitary sewer utility presently serves the parcels for which certification is requested, all of which are located within the corporate limits of the Village of Prairie Grove, which supports this Petition.
- c. Citizens proposes to serve all customers located within the parcels for which certification is requested under the standard rates, rules and regulations of Citizens as in effect from time to time. Citizens is prepared to serve all potential customers located within those parcels, subject to the provisions of its rate schedules.
- d. Citizens' ownership, operation and maintenance of the water and sanitary sewer facilities, as contemplated in the Agreement, and as described in the testimony and exhibits supporting this Petition, is necessary to provide adequate, reliable and efficient water and sanitary sewer service to the customers to be located within the parcels for which certification is sought. In addition, Citizens' ownership and operation constitutes the least-cost means of satisfying the service needs of those customers.
- e. Citizens is capable of efficiently managing and supervising any activities necessary to serve all of the parcels.
- f. Citizens is capable of financing the operations necessary to serve all of the parcels without adverse financial consequences to Citizens or its customers.
- g. The ownership, operation and maintenance by Citizens of the water and sanitary sewer facilities necessary and appropriate to serve the parcels for which certification is requested, as well as Citizens' provision of water and sanitary sewer service to the public in those parcels, will promote the public convenience and are necessary thereto, and the interests of Citizens and the public will be served thereby.

Testimony was filed in Docket No. 00-0194 by Reed Scheppmann and Bob Khan of Citizens on March 29, 2000. Hearings are scheduled to be held on August 1-2, 2000.

3. Section 8-406(e) of the PUA provides, inter alia, that “[t]he Commission may issue a temporary certificate . . . in cases of emergency, to assure maintenance of adequate service or to serve particular customers, without notice or hearing, pending a determination of an application for a certificate.”

4. As indicated in the testimony filed in Docket No. 00-0194 by Reed Scheppmann of Citizens, a business park and residential developments are planned for the area and property owners will soon be needing service to those developments. As of the date that Citizens’ verified petition was filed, it was expected that customers would be in need of service by July, 2000. Currently, a model home is under construction with an expected completion date of June 15, 2000, and two other homes are under construction. Additionally, two lots have been sold with completion of the homes targeted for middle to late summer. A four unit townhome building with sales models also is anticipated to be ready by middle to late summer.

5. Currently, there is no water or sanitary sewer utility that serves the area at issue and the Commission will not issue a decision in Docket No. 00-0194 until significantly after August 1; therefore, the potential customers who are expected to move into their homes in middle to late summer will have no possibility of acquiring service when it is needed unless a Temporary Certificate is granted.

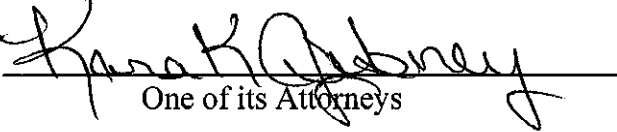
6. The above facts demonstrate that particular customers will be in need of service before the Commission is in a position to issue its final decision in Docket No. 00-0194, and no utility is currently certificated to provide such service. As such, there is an emergency situation warranting issuance of a Temporary Certificate under Section 8-406(e). This Temporary

Certificate should remain in effect for no longer than one year, as provided in Section 8-406(e), or until a final decision is entered in Docket No. 00-0194.

WHEREFORE, Citizens prays that the Commission issue a Temporary Certificate of Public Convenience and Necessity, without notice or hearing, authorizing Citizens to transact the business of furnishing water and sanitary sewer service to the aforementioned parcels for up to one year or until the Commission issues a final decision in Docket No. 00-0194.

Respectfully submitted,

CITIZENS UTILITIES COMPANY OF ILLINOIS
d/b/a CITIZENS WATER RESOURCES

By: 
One of its Attorneys

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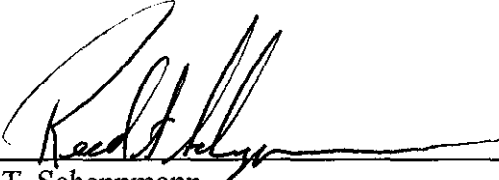
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Dated: 5/23, 2000.

STATE OF ILLINOIS)
)
COUNTY OF DUPAGE) ss

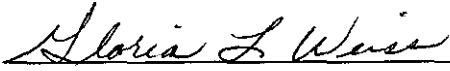
VERIFICATION

Reed T. Scheppmann, being first duly sworn under oath, states that he is Vice President and General Manager of Citizens Utilities Company of Illinois d/b/a Citizens Water Resources; that he has read the foregoing Motion and knows the contents thereof; and that the facts set forth therein are true to the best of his knowledge and belief.



Reed T. Scheppmann

Subscribed and sworn to before me
this 22ND day of May, 2000.



Notary Public

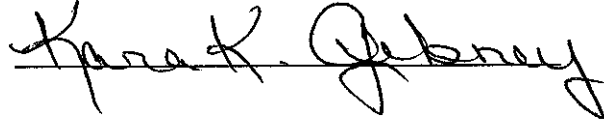


My Commission expires: 2/22/04



CERTIFICATE OF SERVICE

I, Kara K. Gibney, hereby certify that on this 23 day of May 2000, I caused the foregoing Motion for Temporary Certificate and Interim Order of Citizens Utilities Company of Illinois to be served on all parties listed below by either facsimile or U.S. mail.



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**Proposed Interim Order of
Citizens Utilities Company of Illinois**

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

CITIZENS UTILITIES COMPANY OF ILLINOIS)
d/b/a CITIZENS WATER RESOURCES)

Petition for a Certificate of Public Convenience)
and Necessity to provide water and sanitary)
sewer service to parcels in McHenry County,)
pursuant to Section 8-406 of the Public Utilities)
Act; and for approval of a contract.)

Docket No. 00-0194

INTERIM ORDER

On February 25, 2000, Citizens Utilities Company of Illinois d/b/a Citizens Water Resources ("Citizens"), pursuant to Section 8-406 of the Public Utilities Act ("PUA"), filed a verified petition with the Illinois Commerce Commission ("Commission") for a Certificate of Public Convenience and Necessity, authorizing Citizens to provide water and sanitary sewer services to various parcels located in McHenry County, Illinois. Testimony was filed in this proceeding by Reed Scheppmann and Bob Khan of Citizens on March 29, 2000. Hearings in Docket No. 00-0194 are scheduled to be held on August 1-2, 2000. On May 23, 2000, Citizens filed a Motion for a Temporary Certificate, pursuant to Section 8-406(e), requesting that the Commission grant it authority to serve customers in the parcels identified in its original petition for no longer than one year or until such time as the Commission issues its decision in Docket No. 00-0194. This Motion for a Temporary Certificate is the subject of this interim order.

DISCUSSION

Citizens is a public utility that currently provides water and/or sanitary sewer services to over 72,000 customers in six counties within northeastern Illinois. Citizens is a wholly-owned subsidiary of Citizens Communications Company, formerly known as Citizens Utilities Company, which directly or through operating subsidiaries provides water, wastewater, electric, gas and/or communications services in 22 states throughout the United States. Citizens has entered into an Asset Purchase Agreement ("Agreement") with the property owner, Terra Cotta, to acquire existing water and sewer facilities to serve the parcels for which certification is requested. Citizens desires to provide (subject to the terms and conditions set forth in the Agreement) water and sanitary sewer service in these areas.

Citizens' verified petition proposes to serve all customers located within the identified parcels under the standard rates, rules and regulations of Citizens as in effect from time to time. Citizens states that it is prepared to serve all potential customers located within those parcels, subject to the provisions of its rate schedules. Currently, no other water or sanitary sewer utility serves the parcels for which certification is requested, all of which are located within the corporate limits of the Village of Prairie Grove, which supports Citizens' verified petition.

In its verified petition, Citizens asserts that ownership, operation and maintenance of the water and sanitary sewer facilities, as contemplated in the Agreement, and as described in the testimony and exhibits supporting its Petition, is necessary to provide adequate, reliable and efficient water and sanitary sewer service to the customers to be located within the parcels for which certification is sought. Citizens states that its ownership and operation constitutes the least-cost means of satisfying the service needs of those customers. Citizens adds that it is

capable of efficiently managing and supervising any activities necessary to serve all of the parcels, and is capable of financing the operations necessary to serve all of the parcels without adverse financial consequences to Citizens or its customers. Finally, Citizens asserts that ownership, operation and maintenance by Citizens of the water and sanitary sewer facilities, as well as Citizens' provision of water and sanitary sewer service to the public in those parcels, will promote the public convenience and are necessary thereto, and the interests of Citizens and the public will be served thereby.

Citizens' testimony filed in Docket No. 00-0194 indicated that a business park and residential developments are planned for the area and that some property owners would be in need of service by July, 2000. Citizens' Motion for a Temporary Certificate indicates that, currently, a model home is under construction with an expected completion date of June 15, 2000, and two other homes are under construction. Additionally, two lots have been sold with completion of the homes targeted for middle to late summer. A four unit townhome building with sales models also is anticipated to be ready by middle to late summer.

Citizens points out that, currently, there is no water or sanitary sewer utility that serves the area at issue and the Commission will not issue a decision in Docket No. 00-0194 until significantly after August 1; therefore, Citizens asserts that, the customers who are expected to move into their homes in the middle to late summer will have no possibility of acquiring service when it is needed unless a Temporary Certificate is granted. The Commission agrees.

Section 8-406(e) of the PUA provides, inter alia, that "[t]he Commission may issue a temporary certificate . . . in cases of emergency, to assure maintenance of adequate service or to serve particular customers, without notice or hearing, pending a determination of an application

for a certificate.” The above facts demonstrate that particular customers will be in need of service before the Commission is in a position to issue its final decision in Docket No. 00-0194, and no utility is currently certificated to provide such service. As such, there is an emergency situation warranting issuance of a Temporary Certificate, under Section 8-406(e). The Commission therefore will grant a Temporary Certificate allowing Citizens to serve the various parcels located in McHenry County, Illinois, and identified in Citizens’ verified petition for a Certificate of Public Convenience and Necessity. This Temporary Certificate will remain in effect for no longer than one year, as provided in Section 8-406(e), or until a final decision is entered in Docket No. 00-0194.

FINDINGS AND ORDERING PARAGRAPHS

Having considered the entire record herein, the Commission is of the opinion and finds the following:

1. Citizens Utilities Company of Illinois is engaged in the business of providing water and/or sanitary sewer services to the public in the State of Illinois and, as such, is a public utility within the meaning of Section 3-105 of the Public Utilities Act;
2. the Commission has jurisdiction over Citizens Utilities Company of Illinois and the subject matter of this proceeding;
3. the recitals of fact set forth in the prefatory portion of this order are supported by the evidence of record and are hereby adopted as findings of fact;
4. the granting of a Temporary Certificate of Public Convenience and Necessity to provide water and sanitary sewer service to the areas described in the verified petition will promote the public convenience and necessity and is reasonably necessary thereto;
5. a temporary certificate of public convenience and necessity should be issued to Citizens Utilities Company of Illinois to provide water and sanitary sewer service in the area described in the verified petition filed in this docket;

6. this Temporary Certificate will remain in effect for no longer than one year, or until a final decision is entered in Docket No. 00-0194.

IT IS THEREFORE ORDERED that, pursuant to Section 8-406(e) of the Public Utilities Act, a Temporary Certificate of Public Convenience and Necessity is hereby granted to Citizens Utilities Company of Illinois to provide water and sanitary sewer service to the area depicted in the verified petition filed in this docket.

IT IS FURTHER ORDERED that the Temporary Certificate of Public Convenience and Necessity is as follows:

TEMPORARY CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

IT IS HEREBY CERTIFIED that the public convenience and necessity require that Citizens Utilities Company of Illinois provide water and sanitary sewer service to the area depicted in the verified petition filed in this docket.

IT IS FURTHER ORDERED that Citizens Utilities Company of Illinois shall serve such customers under the standard rates, rules and regulations that Citizens Utilities Company of Illinois has in effect.

IT IS FURTHER ORDERED that the relief granted herein does not create any presumptions with respect to any showings to be made or issues to be determined in Petitioner's application for a certificate in Docket 00-0194.

IT IS FURTHER ORDERED that the temporary certificate granted herein shall remain in force no longer than one year from the date of this order.

IT IS FURTHER ORDERED that subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 100.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this _____ day of _____, 2000.

(SIGNED)
Chairman